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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/642,769	08/18/2003	Robert D. White	67519.001036	3657
21967	7590	05/30/2008	EXAMINER	
HUNTON & WILLIAMS LLP			TROTTER, SCOTT S	
INTELLECTUAL PROPERTY DEPARTMENT				
1900 K STREET, N.W.			ART UNIT	PAPER NUMBER
SUITE 1200				3694
WASHINGTON, DC 20006-1109				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/642,769	WHITE, ROBERT D.	
	Examiner	Art Unit	
	SCOTT S. TROTTER	3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 17 March 2008.

2a) This action is **FINAL**. 2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-35 is/are pending in the application.

4a) Of the above claim(s) 4,7,11,14,16 and 18-35 is/are withdrawn from consideration.

5) Claim(s) _____ is/are allowed.

6) Claim(s) _____ is/are rejected.

7) Claim(s) _____ is/are objected to.

8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All b) Some * c) None of:

1. Certified copies of the priority documents have been received.
2. Certified copies of the priority documents have been received in Application No. _____.
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date. _____ .
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)	5) <input type="checkbox"/> Notice of Informal Patent Application
Paper No(s)/Mail Date <u>8/18/2008</u> .	6) <input type="checkbox"/> Other: _____ .

DETAILED ACTION

Restriction election

1. The Office acknowledges the receipt of Applicant's restriction election, filed March 17, 2008. Applicant elects Group I, claims 1-17, with traverse, stating that it is well known for the process to use a network which would be an apparatus. Applicant's traversal is unpersuasive for the following reasons: While it may be well known to use a network to perform such methods there is nothing in the claims that requires such apparatus to perform the method. While a search of the prior art for one group may overlap with that of another group, they are not co-extensive of each other and thus would represent undue burden on Office resources. In addition there were multiple species claimed and restriction was required there as well with claims 3, 6, 10, 13, and 15 being elected and claims 4, 7, 11, 14, and 16 being unelected. Regarding the applicants contention that there is no burden searching such divergent concepts as an exclusive use of a credit account and backup use of credit account it is a serious burden requiring two separate searches requiring different search terms the same is true of searching an apparatus and a method claim that does not require the apparatus again different search terms are required creating a serious burden. Claims 1 and 12 are generic claims that would allow unelected subspecies if they are allowed. Claims 1-35 are pending. Claims 4, 7, 11, 14, 16, and 18-35 are nonelected. Claims 1-3, 5, 6, 8-10, 12, 13, 15, and 17 are examined in the instant application. This restriction is made FINAL.

Information Disclosure Statement

2. An initialed and dated copy of Applicant's IDS form 1449 filed 08/18/2003, is attached to the instant Office action.

Claim Rejections - 35 USC § 101 Utility

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 1-3, 5, 6, 8-10, 12, 13, 15, and 17 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claims 1-17 are directed to a process. In order to be statutory a process must be either tied to another statutory class (such as a particular apparatus) or transform underlying subject matter (such as an article or materials) to a different state or thing. Since the method does not require any apparatus to perform it is not tied to another statutory class. (The examiner would note that the figures would provide some support for including some apparatus in the claims. Though since this is a very fluid area of the law what appears sufficient at the time of this writing may or may not be sufficient when this application is reviewed.) There also does not appear to be a physical transformation so neither test is currently satisfied making it non-statutory.

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

6. Claims 1, 2, 5, 6, 8, 12, 15, and 17 are rejected under 35 U.S.C. 102(b) as being anticipated by Walker et al. (U.S. Patent 6,018,718).

As per claim 1 Walker teaches:

A method for managing dedicated use of a credit account, comprising:

receiving information regarding a credit account, the credit account associated with a customer; (See *Walker abstract*. Accessing historical account data.)
associating the credit account with a usage program, (See *Walker abstract*. Selecting a reward offer having an associated reward description)

the usage program comprising one or more terms of dedicated use, (See *Walker abstract*. The performance target is the term of dedicated use)
the terms of dedicated use associated with providing a benefit to the customer in return for dedicated use of the credit account; (See *Walker abstract*. The reward is the benefit.)

providing the benefit to the customer according to the terms of dedicated use; (See *Walker abstract*.)

monitoring credit activity corresponding to the credit account; (See *Walker abstract*. Collecting the transaction data is monitoring the credit activity for this account.) and maintaining the benefit if the monitored credit activity satisfies the terms of dedicated use. (See *Walker abstract*. If the transaction data exceeds the target a reward is issued.)

As per claim 2 Walker teaches:

The method of Claim 1, further comprising penalizing the customer if the monitored credit activity does not satisfy the terms of dedicated use. (See *Walker column 2 lines 20-30*. Failing to maintain the desired balance will cause a higher interest rate to be charged which is a penalty for failing to meet the terms of the offer.)

As per claim 5 Walker teaches:

The method of Claim 1, wherein associating the credit account with a usage program further comprises:

offering the customer participation in the usage program; and receiving an acceptance of the offer from the customer. (See *Walker abstract*)

As per claim 6 Walker teaches:

The method of Claim 1, wherein:
the credit account is associated with an interest rate; and providing the benefit to the customer according to the terms further comprises lowering the interest rate. (See *Walker figure 4*. APR Reduction is an Annual Percentage Rate Reduction.)

As per claim 8 Walker teaches:

The method of Claim 1, wherein providing the benefit to the customer according to the terms of dedicated use further comprises:
determining a level of usage associated with the credit account;
identifying the benefit from a plurality of benefit options, the benefit associated with the level of usage; and
providing the identified benefit. (See *Walker abstract*)

As per claim 12 Walker teaches:

A method for providing a dedicated credit account, comprising:
providing a credit card customer with a credit account;
associating the credit account with a usage program, the usage program comprising one or more terms of dedicated use, the terms of dedicated use associated with providing a benefit to the customer in return for dedicated use of the credit account; and providing the benefit to the customer if credit activity associated with the credit account satisfies the terms of dedicated use. (See *Walker abstract*)

As per claim 15 Walker teaches:

The method of Claim 12, wherein:
the credit account is associated with an interest rate; and
providing the benefit to the customer further comprises lowering the interest rate. (See *Walker figure 4*. APR Reduction is an Annual Percentage Rate Reduction.)

As per claim 17 Walker teaches:

The method of Claim 12, wherein providing the benefit to the customer if credit activity associated with the credit account satisfies the terms of dedicated use further comprises:

determining a level of usage associated with the credit account;
identifying the benefit from a plurality of benefit options, the benefit associated with the level of usage; and
providing the identified benefit. (See *Walker abstract*)

Claim Rejections - 35 USC § 103

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 3, 9, 10 and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker in view of Official Notice.

As per claims 3 and 13 Walker teaches the methods of claims 1 and 12. Walker does not teach providing benefits for an exclusive creditor deal. Official Notice is taken that it is old and well known in the art of exclusive deals that a benefit must be given to receive an exclusive right and it also well known to have liquidated damages clauses in such contracts to establish the proper level damages for breach of the contract.

Therefore it would have been obvious to a person of ordinary skill in the art at the time

the invention was made to provide a benefit for being the exclusive credit provider for a customer since it establishes a set level of compensation to eliminate all other credit competition.

As per claim 9 Walker teaches the method of Claim 1,
wherein monitoring credit activity corresponding to the credit account further comprises monitoring a credit report corresponding to the customer, the credit report comprising information associating the credit activity of the credit account with the customer.

While Walker does not explicitly teach monitoring the credit reports of customers to change benefits based on changes in risk it is old and well known in the art of credit cards to monitor such reports and change the interest rates being charged based on them.

As per claim 10 Walker teaches the method of Claim 2,
wherein penalizing the customer if the monitored credit activity does not satisfy the terms of dedicated use further comprises charging a penalty fee to the customer.

While Walker does not explicitly teach charging a penalty fee for failing to meet the terms of dedicated use it does teach having consequence of not providing the agreed reward. (See *Walker abstract*) Official notice is taken that it is old and well known in the art of credit cards to charge penalty fees for failing to meet contract terms with the most obvious example being late fees. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to charge a penalty fee for failure to meet a contract term with regards to other programs as well.

Conclusion

9. The prior art made of record and not relied upon is considered pertinent to Applicant's disclosure:

- Caroline E. Mayer, The Washington Post, Dec. 20, 2001 – Teaches that some credit card companies are monitoring customers credit reports and when adverse changes are taking place on their reports they are increasing the interest rate they are charging such customers even if with no missed payments or other problems with their own accounts.

10. Examiner's Note: The Examiner has cited particular columns and line numbers in the references as applied to the claims for the convenience of the applicant.

Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

11. Any inquiry concerning this communication from the examiner should be directed to Scott S. Trotter, whose telephone number is 571-272-7366. The examiner can normally be reached on 8:30 AM – 5:00 PM, M-F.

12. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell, can be reached on 571-272-6712.

13. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

14. The fax phone number for the organization where this application or proceeding is assigned are as follows:

(571) 273-8300 (Official Communications; including After Final Communications labeled "BOX AF")
(571) 273-6705 (Draft Communications)

sst
5/30/2008

/James P Trammell/
Supervisory Patent Examiner, Art Unit 3694